



CITY AND BOROUGH OF WRANGELL

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2019 STATE LEGISLATIVE PRIORITIES

Adoption of a Sustainable Budget Plan:

The City & Borough of Wrangell joins the Alaska Municipal League, the Alaska Conference of Mayors, and a multitude of other public and private entities urging the Legislature to finish work toward adoption of a sustainable budget plan. The trickle-down effect is having significant ramifications at the local level, which will only continue to increase. The CBW supports a sustainable fiscal plan that includes budget reductions and new revenue, including a broad-based tax.

Amendment to Legislative Grant #13-DC-494 in the Capital Budget:

In 2013 the CBW was awarded a Legislative Grant in the amount of \$1.8 Million for construction of a new hospital. The existing community hospital, Wrangell Medical Center, was in danger of closing in 2018 due to financial and facility challenges. The CBW partnered with SEARHC to assume existing hospital operations while SEARHC builds a brand new \$30 Million critical access hospital and long term care facility. Assumption of existing hospital operations by SEARHC was a critical component to the deal to build a new hospital. However, costs related to this transfer of operations, have been excluded from grant reimbursement eligibility. The CBW respectfully requests amendment of the grant to accommodate all aspects to the transaction associated with new hospital construction, including the transfer of existing hospital operations during the interim period; and requests retroactive eligibility of previously ineligible expenses for reimbursement.

Reinstatement of State Positions Critical to Wrangell:

Over the past decade, Wrangell has seen positions eliminated that are critical to the well-being of the community. The following positions have been eliminated: Public Health Nurse, Child Welfare Case Worker, Magistrate. These positions help hold together the social fabric of the community. The argument could be made it is the result of the State budget. However, the positions are not being eliminated – rather transferred to Petersburg. A number of severe incidents have taken place in Wrangell this past year outlining the need for these positions to be filled at the local level.

Airport Backup Generator:

The Wrangell Airport is without a backup generator. In the event of an emergency resulting in lack of power to the community, there would be no way to evacuate injured persons from

town, or receive critical resources by plane during hours without daylight as there is no backup generator to power the runway lights. This is a critical life safety issue for the community.

Community Assistance (Formerly Revenue Sharing):

The State's fiscal situation increasingly requires local governments to assume more service, programmatic and infrastructure responsibilities. The City & Borough of Wrangell (CBW) encourages the State to maintain this important revenue stream. In FY19 the CBW received \$409,223 which represents 7.1% of General Fund revenue. Over the past decade the program has meant \$5,952,741 in revenue to the CBW.

Senior Citizen/Disabled Veteran Property Tax Exemptions – Local Option:

Wrangell has the greatest percentage of senior citizens per capita of any location in Alaska. The number of senior citizen tax exemptions is equally as high by percentage. As communities are forced to take on even more program, service and capital responsibilities based on the State's fiscal situation, unfunded mandates require municipalities to raise other revenues, impacting all citizens. The CBW respectfully requests the Legislature make provisions for a local option so communities have the ability to determine, based on local revenue estimates and expenditure needs, what the annual exemption will be for these two critical populations.

School Debt Reimbursement:

Beginning in 2015 the Legislature took steps to reduce the availability of funding for bond reimbursement for new school construction. Additionally, reimbursements for existing school project debt have been reduced – leaving local municipalities with no choice but to raise taxes, or pull from reserves to cover debt payments. The State has an obligation to assist those communities with existing school debt obligations. The CBW requests funding for existing reimbursements be made whole.

Boarding School Feasibility:

The State of Alaska is taking a fresh look at consolidation of school districts. If consideration is giving to increasing boarding school opportunities for underserved rural students, Wrangell would like the opportunity to investigate the feasibility of being a boarding school site.

Community Jail Contracts:

The City & Borough of Wrangell applauds efforts by the Department of Corrections to partner with Community Jails to engage local Police Departments in corrections efforts resulting in small funding increases at the local level. The CBW encourages the State to maintain base contract allocations at least to current levels.

PERS:

The City & Borough of Wrangell supports AML Resolution #2019-12 of the Alaska Municipal League calling for reform of PERS, including but not limited to, the elimination of termination studies and all costs for reducing or eliminating departments, groups, or classifications of employees, as well as not inhibiting future additions of departments, groups, or classifications of employees.

Shared Fisheries Tax:

As the State looks at ways to retain revenue, reductions in Shared Fisheries Revenue should not be considered.

AMHS Reform/Stable AMHS Funding:

The City & Borough of Wrangell joins with Southeast Conference exploring new ways to sustain operations of the Alaska Marine Highway. While these options are considered the Borough respectfully requests stable funding of the AMHS as it is a critical transportation lifeline for people and goods throughout coastal Alaska – critical to our economic health.

Municipal Matching Grants:

Municipal Matching Grant (specifically existing programs for water/sewer through ADEC and ports/harbors through ADOT/PF) play a critical role in this fiscal climate providing match funding allowing municipalities to leverage local, federal and private funding sources for critical public infrastructure. The CBW encourages the Legislature to fund these programs.

ADOT Material Standards:

ADOT is required to meet FAA and FHWA material standards. Despite the availability of good quality local material, there is no provisions in the standards for material deviations if proven an equal or greater substitute by qualified professional testing or engineering. The CBW calls on the State to look for ways to have alternative materials accepted to avoid excessive time delays and cost overruns for material that is otherwise locally available.

Transboundary Waters:

The CBW applauds the efforts of the Administration to carry this issue to the federal level. We request work toward joint agreements on transboundary waters remain a priority for the State.

Sea Otter Population Control:

In 2018 the Legislature began working on options that would enable amendments to the federal Marine Mammal Protection Act, allowing greater control of sea otter populations. The growth of the population in Southeast Alaska imminently threatens shellfish and mariculture fisheries from remaining viable. The population in Southeast is at a point where a catastrophic die off is close-at-hand once food sources have been devastated.

Amendment/Repeal of SB91:

The City & Borough of Wrangell asks the Legislature to look at necessary changes to SB91 that allows the public safety and justice system to address true crime.

Alaska Mental Health Trust Land Swap:

The CBW requests the Alaska Mental Health Trust work with the USFS to swap a portion of land just south of the former Institute property (that has already been logged for a statewide timber sale) for another parcel. This would enable local development of a large area of land. Should there be appraisal inconsistencies that adjust acreage amounts, this area should be removed from the swap.

Project Priorities:

The CBW acknowledges the fiscal climate of the State, and understands there is little to no availability of funding for local capital needs. Should the fiscal climate change, following are the project priorities for Wrangell:

Water System: Upper Reservoir Dam Stabilization	\$10,000,000
Fire Engine/Pumper Replacement	\$ 400,000
Water System: Water Main Distribution Replacement	\$ 3,500,000
Public Safety Building Rehabilitation	\$ 700,000
Back-Up Diesel Generation	\$ 2,781,000
Cemetery Enlargement	\$ 500,000
Pool Facility Rehabilitation	\$ 2,060,000
Wrangell Boat Yard Improvements	\$ 4,326,000